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Department of State

TELEGRAM

INDICATE:
- ☐ COLLECT
- ☐ CHARGE TO

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ACTION: Amembassy TRIPOLI IMMEDIATE

REF: Tripoli 313 SUBJECT: Parity Negotiations

1. USSR official has informed US Embassy officer Soviets are not changing official ruble dollar parity until after US gold price change is legislated. Meantime Soviets are collecting 8 percent commission on all dollar transactions so that not counting standard service charge $1 = 82.8 kopeks. This equivalent to one ruble = US$1.20 compared to official parity one ruble = US$1.11.

2. According to IMF Ceylon has maintained parity of its exchange rate with US dollar. It has multiple rate system with rate of 5.95 rupees per dollar for most export proceeds, less than one-half of imports and about one-third of services. Other exchange transactions take place in a certificate market where at end 1971 rate was rupees 9.23 per dollar.

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY _____ DATE 3/4/82
RDS ☐ or XDS ☐ EXT. DATE _____ ROGERS
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DRAFTED BY:	DRAFTING DATE	TEL. EXT.	APPROVED BY:
E/IFD/MLMilne	2/14/72	20500	E/IFD - Matilda L. Milne

CLEARANCES:

EUR/SOV - Mr. Colbert
AF/N - Mr. Clark (substance) 2/14/72
NEA/INC - Mr. Kay (draft) 2/14/72
E/ORF/FSE - Mr. G. Brown (draft) 2/14/72
Treasury - Mr. T. P. Nelson (draft) 2/14/72
IMF - Mr. Dale (draft) 2/14/72

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FORM 4-68 FS-413

F8 0 0 0 5 - 0 4 2 7 UNCLASSIFIED

Department of State **TELEGRAM**

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PET 15-2 LIBYA

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ACTION AF-13

INFO OCT-01 EUR-20 E-11 INT-05 COM-08 CIAE-00 INR-06
NSAE-00 RSC-01 OEP-01 OPIC-12 PM-06 NSC-10 SS-14 L-03
AID-20 TRSE-00 P-03 PRS-01 USIA-12 NEA-09 RSR-01 /158 W
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R 220846Z FEB 72
FM AMEMBASSY BENGHAZI
TO SECSTATE WASHDC 750
INFO AMEMBASSY LONDON
AMEMBASSY TRIPOLI

C O N F I D E N T I A L BENGHAZI 0087

PET 15-2 LIBYA

BENGHAZI 87 2/22/72

SUBJECT: NATIONALIZATION OF BP - STATUS REPORT 2
REF: BENGHAZI 65

FROM MACK

SUMMARY: UP-DATE OF PREVIOUS REPORTING ON RELATIONS AMONG BP, HUNT AND ARAB GULF. CONTINUED PRODUCTION IS IN PERIL.

1. ARAB GULF EXPLORATION COMPANY ABRUPTLY CANCELLED CONTRACT WITH OVERSEAS TECHNICAL SERVICES WHEREBY OTS HAD SUPPLIED BRITISH MAINTENANCE PERSONNEL FOR PRODUCTION FACILITIES AT SARIR AND TERMINAL AT TOBRUK. ARAB GULF WAS APPARENTLY DISAPPOINTED BY QUALITY OF PERSONNEL, AND RELATIONS BETWEEN LIBYAN SUPERVISORS AND SOME MEMBERS OF OTS CONTINGENT WERE NOT GOOD. [B1

[ASIDE FROM LACK OF OIL EXPERIENCE, MANY OF SO-CALLED MAINTENANCE EXPERTS WERE REALLY CONSTRUCTION WORKERS.]COMMENT: [

2. SITUATION AT SARIR FIELD IS ONCE AGAIN PRECARIOUS. ARAB GULF HAS RETAINED FIVE MEN ORIGINALLY RECRUITED BY OTS AND HAS PICKED UP FOUR EX-BP CONTRACT EMPLOYEES. AT PRESENT TIME, HOWEVER, ONLY SEVEN OF THESE EXPATRIATES ARE ON THE JOB.

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NELSON BUNKER HUNT LIFTINGS CONTINUE ON SCHEDULE, BUT HUNT FEARS INTERRUPTION IN OIL FLOW IF B1
ARAB GULF DOES NOT FIND KEY PERSONNEL SOON. ARAB GULF HAS NOT ASKED FOR RETURN OF HUNT PERSONNEL.

3. AT HARIJA TERMINAL IN TOBRUK, THINGS ARE IN BETTER SHAPE. ARAB GULF HAS RETAINED 5 BRITISH NATIONALS FROM THE OTS CONTINGENT SENT TO TOBRUK. LIBYAN SUPERVISORS AT TOBRUK ARE HANDLING THEIR RESPONSIBILITES BETTER THAN DO THEIR COUNTERPARTS AT SARIR.

4. C

B1

LIBYANS STILL TEND
TO SEE HUNT AS ADVERSARY RATHER THAN PARTNER.

5. PETROLEUM MINISTRY HAS SUCCESSFULLY ORDERED ARAB GULF TO ACCEPT UMAR SAHLI (FORMERLY OF MINISTRY'S TRAINING DEPARTMENT) AS ASSISTANT GENERAL MANAGER TO NA'AS. SAHLI DOES NOT HAVE A SEAT ON ARAB GULF BOARD, BUT HE MAY BE IN LINE TO REPLACE NA'AS AS BOARD CHAIRMAN AND GENERAL MANAGER. ANOTHER NAME HEARD FOR THIS JOB IS THAT OF ISA QIBLAWI, FORMER PETROLEUM MINISTRY UNDERSEC.

6. NO MORE LIFTINGS BY ARAB GULF AS MARKETING PROSPECTS CONTINUE TO BE STYMIED BY BP LEGAL ACTION. RECENT FORMATION OF COMPENSATION COMMITTEE HEADED BY LIBYAN JUDGE IS ANOTHER INDICATION THAT LIBYANS HOPE TO SETTLE WITH BP.
PALMER

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